

**Final Terms dated 14 June 2017**

**Intesa Sanpaolo S.p.A.**

**Issue of € 1,000,000,000 1.125 per cent. Fixed Rate Covered Bonds due 16 June 2027**

**Guaranteed by**

**ISP CB Ipotecario S.r.l.**

**under the €20,000,000,000 Covered Bond (*Obbligazioni Bancarie Garantite*) Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Covered Bonds (the **Conditions**) set forth in the prospectus dated 23 December 2016 and the supplement to the prospectus dated 20 February 2017 which together constitute a base prospectus (the **Base Prospectus**) for the purposes of the Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EC and any relevant implementing measure in the relevant Member State of the European Economic Area, the **Prospectus Directive**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms, published on 14 June 2017, contain the final terms of the Covered Bonds and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Covered Bond Guarantor and the offer of the Covered Bonds described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the website of the Issuer ([www.intesasanpaolo.com](http://www.intesasanpaolo.com)) and during normal business hours at the Specified Office of the Luxembourg Listing Agent and copies may be obtained from the registered office of the Issuer.

1. (i) Series Number: 22  
(ii) Tranche Number: 1  
(iii) Date on which the Covered Bonds will be consolidated and form a single Series: Not Applicable
2. Specified Currency or Currencies: Euro (€)
3. Aggregate Nominal Amount: € 1,000,000,000
  - (i) Series: € 1,000,000,000
  - (ii) Tranche: € 1,000,000,000
4. Issue Price: 99.737 per cent. of the Aggregate Nominal Amount
5. (i) Specified Denominations: € 100,000 (as referred to under Condition 3)  
(ii) Calculation Amount: € 100,000
6. (i) Issue Date: 16 June 2017  
(ii) Interest Commencement Date: Issue Date
7. Maturity Date: 16 June 2027
8. Extended Maturity Date of Guaranteed Amounts corresponding to Final Redemption Amount under the Covered Bond Guarantee: 16 June 2028 (as referred to under Condition 9(b))
9. Interest Basis: For the period from (and including) the Issue Date to (but excluding) the Maturity Date (the **Original Maturity Period**), a Fixed Rate of 1.125 per cent.

per annum.

If payment of the Final Redemption Amount on the Maturity Date is deferred, in whole or in part, pursuant to Condition 9(b) (*Extension of maturity*), for the period from (and including) the Maturity Date to (but excluding) the Extended Maturity Date or, if earlier, the date on which the Covered Bonds are redeemed in full (the **Extended Maturity Period**) a Floating Rate of 3 month EURIBOR plus 0.38 per cent. per annum.

(further particulars specified below)

10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Maturity Date at 100 per cent. of their nominal amount (as referred to under Condition 9(a))
11. Change of Interest: Change of interest rate is applicable in case an Extended Maturity Date is specified as applicable, as provided for under Condition 9(b)
12. Put/Call Options: Not Applicable
13. Date of Board approval for issuance of Covered Bonds and Covered Bond Guarantee, respectively, obtained: 24 May 2016 and 21 May 2013, respectively
14. Method of distribution: Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Provisions Applicable (as referred to under Condition 5)
- (i) Rate(s) of Interest: 1.125 per cent. per annum payable annually in arrears on each CB Payment Date
- (ii) CB Payment Date(s): 16 June in each year, starting from (and including) 16 June 2018 and ending on (and including) the Maturity Date, adjusted in accordance with the Following Business Day Convention
- (iii) Fixed Coupon Amount: €1,125 per Calculation Amount
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
16. Floating Rate Provisions Applicable in respect of the Extended Maturity Period if payment of the Final Redemption Amount is deferred pursuant to Condition 9(b) (*Extension of maturity*) (as referred to under Condition 6)
- (i) CB Interest Period(s): Each period from (and including) a CB Payment Date to (but excluding) the next succeeding CB Payment Date, starting from (and including) the Maturity Date up to (but excluding) the Extended Maturity Date or, if earlier, the date on which the Covered Bonds are redeemed in full
- (ii) Specified Period: Not Applicable

- (iii) CB Payment Dates: 16 September 2027, 16 December 2027, 16 March 2028 and 16 June 2028 falling during the Extended Maturity Period, subject to the Business Day Convention under item 16(v) below
- (iv) First CB Payment Date: The CB Payment Date falling on or about 16 September 2027
- (v) Business Day Convention: Modified Following Business Day Convention
- (vi) Additional Business Centre(s) Not Applicable
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Paying Agent): Not Applicable
- (ix) Screen Rate Determination:
- Reference Rate: 3 month EURIBOR
  - Interest Determination Date(s): The second TARGET2 Settlement Day prior to, respectively, 12 April 2027 (relating to the CB Payment Date falling in September 2027), 12 July 2027 (relating to the CB Payment Date falling in December 2027), 12 October 2027 (relating to the CB Payment Date falling in March 2028) and 12 January 2028 (relating to the CB Payment Date falling in June 2028), adjusted in accordance with item 16(v)
  - Relevant Screen Page: Reuters EURIBOR 01
  - Relevant Time: 11.00 a.m. Brussels time
  - Relevant Financial Centre: Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)
- (x) ISDA Determination: Not Applicable
- (xi) Margin(s): + 0.38 per cent. per annum
- (xii) Minimum Rate of Interest: Not Applicable
- (xiii) Maximum Rate of Interest: Not Applicable
- (xiv) Day Count Fraction: Actual/360
17. Zero Coupon Provisions Not Applicable (as referred to under Condition 7)

**PROVISIONS RELATING TO REDEMPTION**

18. Call Option Not Applicable (as referred to under Condition 9(d))
19. Put Option Not Applicable (as referred to under Condition 9(f))
20. Final Redemption Amount of Covered Bonds €100,000 per Calculation Amount (as referred to under Condition 9)
21. Early Redemption Amount Not Applicable (as referred to under Condition 9)

Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons or on acceleration following a Covered Bond Guarantor Event of Default or other early redemption:

#### GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

22. Additional Financial Centre(s): Not Applicable
23. Details relating to Covered Bonds for which principal is repayable in instalments: amount of each instalment, date on which each payment is to be made: Not Applicable
24. Details relating to Covered Bonds issued on a partly paid basis: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: Not Applicable
25. Details relating to Covered Bonds which are amortising and for which principal is repayable in instalments: amount of each instalment, date on which each payment is to be made: Not Applicable

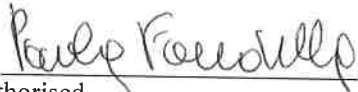
#### DISTRIBUTION

26. (i) If syndicated, names of Joint Lead Managers: Banca IMI S.p.A., Barclays Bank PLC, Landesbank Baden-Württemberg, Natixis S.A., UniCredit Bank AG
- (ii) Stabilising Managers: Barclays Bank PLC
- (iii) If non-syndicated, name of Dealer: Not Applicable
- (iv) U.S. Selling Restrictions: Compliant with Regulation S under U.S. Securities Act of 1933.

Signed on behalf of Intesa Sanpaolo S.p.A.

By:   
Duly authorised

Signed on behalf of ISP CB Ipotecario S.r.l.

By:   
Duly authorised



## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing Official list of the Luxembourg Stock Exchange
- (ii) Admission to trading Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date.

### 2. RATING

- Rating: The Covered Bonds to be issued are expected to be rated:
- Moody's Investors Service Ltd: Aa2
- Moody's Investors Service Ltd is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). As such Moody's Investors Service Ltd is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation.

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Issuer and Banca IMI S.p.A., acting as Joint Lead Manager under this issue, have a conflict of interest with respect to the Covered Bondholders, as they both belong to the Intesa Sanpaolo Group and Banca IMI S.p.A. is a subsidiary of the Issuer.

### 4. ESTIMATED TOTAL COSTS

Estimate of the total expenses related to the admission to trading: € 8,000

### 5. *Fixed Rate Covered Bonds only* – YIELD

Indication of yield: 1.153 per cent. per annum

### 6. OPERATIONAL INFORMATION

ISIN Code: IT0005259988

Common Code: 162976958

Any Relevant Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Monte Titoli

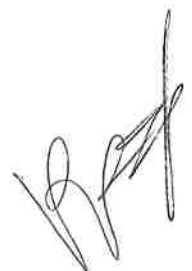
Delivery: Delivery against payment

Names and Specified Offices of additional Not Applicable

Paying Agent(s) (if any):

Intended to be held in a manner which would allow Eurosystem eligibility: Yes

(Note that the designation “yes” simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.)

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